

Manna from heaven

EUROPE – IPE Views: Jeremy Woolfe finds himself underwhelmed by the European Parliament's take on the pensions Green Paper.



In a rushed debate at a plenary session of the European Parliament, sitting at Strasbourg, MEPs displayed an extraordinarily fragmented approach to what should be done regarding follow-up

to the European Commission's policy paper.

More to the point, virtually no one added cost figures to one expression of noble intention after another. The hour-long session followed up on MEP Ria Oomen-Ruijten's report on the Green Paper. Her own position is that ageing populations in all member states have put existing retirement systems under massive strain.

In a press release, she lists a series of woes that can be blamed for the strain. These include higher unemployment, slower growth, higher national debt levels and volatility in the financial markets.

Unfortunately, the Dutch national's sense of reality was not followed up in the 'debate', which, in fact, consisted of 30-odd MEPs reading prepared statements. Most took up not more than one and a half minutes. In fairness, their time restriction was forced on them by a time over-run of a previous discussion in plenary (on the Tunisian migrant situation).

Happily, if the final vote is anything to go by, all's well that ends well. The vote was 535 in favour of Oomen-Ruijten's paper, with 85 against and 57 abstentions. This at least implies cohesion.

Most of the opposition votes came from the far left. Following an introductory statement by the Dutch national at the "debate, that "It is important that we harmonise pensions systems", a number of speakers complained that the green paper was weak on gender element. It was important that women, who suffer lower pensions, are brought into line, was the theme.

Along the same lines, another expressed pleasure that "we have paid attention to the gender balance". Notable French socialist Pervenche Berès

at the winding up said: "We shall deal with the gender dimension in more depth." Not much more than a breath away, he referred to a "need for a suitable impact assessment".

By that he clearly meant what is called, in EU jargon, a Quantitative Impact Study (QIS). This is an exercise that costs out legislative plans. The procedure would normally come after a White Paper, laying out firm proposals for legislation. This is now due in the third quarter of this year.

Back to the series of mini-speeches, many of the MEPs clearly had in the back of their minds Europe's social pact. We have to ensure dignity in old age, was one favourite. There is a need to finance for the elderly "a decent life", came from one MEP. Another wanted "family-friendly systems", while another (from the Nordic green left party) said: "We do not support linking retirement age with life expectancy."

Other issues that came up included mobility (almost universally supported), changing employment laws so employees have the right to work up to official pensions age ("actual pension age and legal pension age are quite different") and the need for pension schemes to keep their customers properly informed of what they were buying into.

The financial sector came in for quite a few swipes. For instance, Thomas Händel, left-winger German, said: "It is ridiculous to let financiers loose on pensions system." Another MEP described inadequate controls on financial markets as a shame.

The set of statements would have been more refreshing had the speakers attached budget implications to their wishes. How much would this sort up dream cost? Where would the recourses come from? However, precedence was given to creating a caring, if not munificent attitude. It was as if any actual bills could be paid from manna falling from the sky.

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